



# REQUEST FOR COUNCIL ACTION

## City of Greenville, South Carolina

Agenda Item No.

15d

**TO:** Honorable Mayor and Members of City Council  
**FROM:** Shannon Lavrin, City Manager

Ordinance/First Reading  Ordinance/Second & Final Reading  Resolution/First & Final Reading  Information Only

**AGENDA DATE REQUESTED:** September 11, 2023

**ORDINANCE/RESOLUTION CAPTION:**

ORDINANCE TO AMEND SECTION 19-4.2, DEVELOPMENT BONUS, OF THE CODE OF ORDINANCES OF THE CITY OF GREENVILLE BY CLARIFYING THE DEVELOPMENT BONUS APPLICABILITY REQUIREMENTS, PROVIDING A FEE IN LIEU PAYMENT OPTION FOR SMALL MIXED-USE PROJECTS, AND CLARIFYING ROUNDING REQUIREMENTS (Z-7-2023)

**SUMMARY BACKGROUND:**

The City proposes to amend the development bonus standards by clarifying that the required percentage of affordable units in projects seeking a development bonus applies to the entire building, inclusive of the base and bonus area

The proposed amendment also introduces a fee-in-lieu payment option for small mixed-use projects utilizing the development bonus and generally containing three or fewer residential units.

The City wishes to simplify the provision regarding the rounding of fractions when calculating the required number of affordable units and remove the current 30-unit threshold.

The City Planning Commission, pursuant to public notice, held a public hearing on August 17, 2023, to consider the proposed text amendment.

Planning Staff Recommendation: Approve

Planning Commission Recommendation: Approval by a vote of 7-0.

**IMPACT IF DENIED:**

The text amendment will not be approved, and the Development Bonus provisions will remain unmodified.

**FINANCIAL IMPACT:**

The City will not receive as many fee-in-lieu payments for projects utilizing the development bonus.

**REQUIRED SIGNATURES**

**Department Director**

DocuSigned by:  
*Mary Douglas Hirsch*  
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**OMB Director**

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**City Attorney**

DocuSigned by:  
*Leigh Paolletti*  
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**City Manager**

DocuSigned by:  
*Shannon Lavrin*  
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## AN ORDINANCE

TO AMEND SECTION 19-4.2, DEVELOPMENT BONUS, OF THE CODE OF ORDINANCES OF THE CITY OF GREENVILLE BY CLARIFYING THE DEVELOPMENT BONUS APPLICABILITY REQUIREMENTS, PROVIDING A FEE IN LIEU PAYMENT OPTION FOR SMALL MIXED-USE PROJECTS, AND CLARIFYING ROUNDING REQUIREMENTS (Z-7-2023)

WHEREAS, in early 2021, the city of Greenville (the “City”) adopted the GVL 2040 Comprehensive Plan (“GVL2040”) which includes goals to provide at least 10% of all units in the City for affordable housing and to preserve at least 15% of the available vacant land as perpetual open space; and

WHEREAS, on June 12, 2023, City Council formally adopted the new Greenville Development Code (“Code”), in part, to fulfill the goals and policies set forth in GVL2040; and

WHEREAS, Section 19-4.2, *Development Bonus*, of the new Code contains height and density incentives for projects that provide affordable housing and open space; and

WHEREAS, the City proposes to amend the development bonus standards by clarifying that the required percentage of affordable units in projects seeking a development bonus applies to the entire building, inclusive of the base and bonus area; and

WHEREAS, the proposed amendment also introduces a fee-in-lieu payment option for small mixed-use projects utilizing the development bonus and generally containing three or fewer residential units; and

WHEREAS, lastly, the City wishes to simplify the provision regarding the rounding of fractions when calculating the required number of affordable units and remove the current 30-unit threshold; and

WHEREAS, the City Planning Commission, pursuant to public notice, held a public hearing on August 17, 2023, to consider the proposed text amendment, and

WHEREAS, the Planning Commission voted unanimously, seven (7) to zero (0), to recommend approval of the proposed text amendment, as amended by the applicant, to Section 19-4.2; and

WHEREAS, City Council finds the text amendment to be compatible with the City’s Comprehensive Development Plan;

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF GREENVILLE, SOUTH CAROLINA, that Section 19-4.2, *Development Bonus*, of the Code of Ordinances of the City of Greenville is amended as set forth in Exhibit A, which is attached hereto and incorporated herein by reference. This Ordinance shall be effective upon second and final reading.

DONE, RATIFIED AND PASSED THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2023.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

REVIEWED:

\_\_\_\_\_  
CITY MANAGER

## EXHIBIT A

Division 19-4.2. Development Bonus  
Section 19-4.2.1. Affordable Housing and Open SpaceSection 19-4.2.1. Affordable Housing and Open Space

The Development Bonus Division of the Greenville Development Code are amended by deleting the strikethrough text and inserting the underlined text as follows:

**19-4.2.1. AFFORDABLE HOUSING AND OPEN SPACE**

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**C. Standards**

Development in the applicable districts ~~above and beyond the by-right base~~ seeking a Development Bonus must meet both the affordable housing bonus standards and the open space bonus standards as described below.

**1. Residential Projects****a. Height or Density In Exchange for Affordable Housing**

- i. Whether the new units are fee simple owner occupied, owner occupied in a condominium or cooperative or some other such form of ownership, or renter occupied; for a project to obtain any of the available bonus units or height available in a given district, the applicant must commit to delivering either:
  - a) 15% of all residential units in the project, as consisting of the base and bonus areas, shall be affordable to households with an annual income of not more than 80% AMI or;
  - b) 10% of all residential units in the project, as consisting of the base and bonus areas, shall be affordable to households with an annual income of not more than 60% AMI.
- ii. While the percentage of unit counts per project must remain as stated above, an averaging of the AMI target percentage may be applied at the Administrator's discretion to allow for lower or higher AMIs as conditions allow.
- iii. Projects for which the rounding provisions of Section 19-4.2.1.D.2.a. would result in no affordable units shall, in lieu of the requirement to include affordable units, instead be subject to an affordable housing mitigation fee of \$2.50 for every bonus square-foot above and beyond what is permitted by right. For example, a proposal to augment two commercial floors permitted by right with a bonus third-floor containing two residential apartments would result in an affordable unit requirement equation of  $2 \times 0.15 = 0.3$ , which would round down to a requirement of zero (0) affordable units; achieving the bonus for this proposed project would require payment of the affordable housing mitigation fee. In the alternative to payment of the affordable housing mitigation fee for such projects, the affordable unit requirement may at the option of the applicant be rounded up to one (1) unit.

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## **D. Definitions and Guidance**

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### **2. Affordable Housing Bonus**

#### **a. All Dwelling Units**

i. When the application of these regulations results in a fraction, ~~it is rounded up to 1 unit if the total unit count is above 30. Total unit counts below 30 may round down.~~ fractions corresponding to less than 0.5 shall be rounded down to the nearest whole number and fractions corresponding to 0.5 or greater shall be rounded up to the next whole number.